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RUEHME/AMEMBASSY MEXICO 1929
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RUEHQD/AMEMBASSY QUITO 4670
RUEHSG/AMEMBASSY SANTIAGO 9255
RUEHRI/AMCONSUL RIO DE JANEIRO 0904
RUEHSO/AMCONSUL SAO PAULO 2068
RHMFSS/HQ USSOUTHCOM MIAMI FL
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C O N F I D E N T I A L SECTION 01 OF 03 LA PAZ 003229

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WHA/FO FOR A/S SHANNON, WHA/AND

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TAGS: ECON MOPS PGOV PHUM PREL USAID BL

SUBJECT: WHA PDAS SHAPIRO MEETS VICE PRESIDENT GARCIA LINERA

Classified By: Ambassador Philip S. Goldberg for reason 1.4 (d).

Summary

¶1. (C) On November 29th WHA PDAS Charles Shapiro, the Ambassador and WHA Special Advisor Tamburri met with Vice President Garcia Linera to review recent developments in Bolivia and the bilateral agenda. (President Morales was traveling abroad.) Shapiro reiterated U.S. support for democracy and the rule of law in Bolivia, and heard Garcia Linera's views on recent developments, including the vice president's account of the previous night's late senate session (septel) which approved a controversial land reform bill, a military pact with Venezuela, the renegotiated hydrocarbons contracts, and other pending bills. Shapiro and the Ambassador asked Garcia Linera about GOB intentions regarding the constituent assembly; the vice president replied with generalities. Shapiro reiterated U.S. opposition to GOB trial balloons about expanding licit coca production above current ceilings, while Garcia Linera argued that Bolivian coca production is such a small part of the "continent-wide" coca problem as to be of negligible importance to the United States. Finally, the vice president expressed gratitude for U.S. assistance and asked Shapiro and the Ambassador for an update on ATPDEA, with the U.S. side noting Administration support for ATPDEA, and the reality of congressional control of next steps. The vice president said that the GOB was sending a team of entrepreneurs and government officials to Washington next week to lobby Congress for passage. Finally, the vice president expressed an interest in pursuing military cooperation with the United States, and said he would happily defend U.S. military exercises in Bolivia before the Bolivian congress, if required. End summary.

The Senate and the Constituent Assembly

¶ 12. (C) On November 29th WHA/PDAS Charles Shapiro, accompanied by the Ambassador and WHA Special Advisor Tamburri, met with Vice President Garcia Linera. (President Morales was traveling abroad.) Also present were Ecopol Counselor Andrew Erickson (notetaker) and Morales' trade advisor Pablo Solon. Shapiro reiterated U.S. support for democracy and democratic practices in Bolivia, and heard Garcia Linera's account of recent developments, including the previous night's late senate session (septel) which approved the controversial land reform bill, a military pact with Venezuela, the renegotiated hydrocarbons contracts, and other pending legislation, stalled until yesterday by an opposition boycott.

¶ 13. (C) Garcia Linera defended the late night maneuvers that allowed passage of the land reform bill (septel). He argued that the opposition's decision to boycott further consideration of a hard-fought bill negotiated over four months amounted to a "congressional coup" on the part of an intransigent minority using parliamentary trickery (denying the senate a quorum). (Note: While the circumstances of the GOB's tools for breaking the opposition walk-out are unclear as of this writing, the government persuaded one sitting senator and two alternates from the opposition to switch sides late last evening. There has been considerable speculation about the inducements the GOB offered, and incendiary accusations of bribery. End note.) Shapiro carefully responded to the vice president that the broad U.S. concern is the

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polarization of politics threatening to weaken government legitimacy and democratic processes. The Ambassador added that this polarization was evident in increasingly incendiary rhetoric; this damaged democratic discourse and weakened institutions. Shapiro noted that the GOB should take care not to damage democratic institutions as it sought to dismantle long-held privileges, a particularly dangerous approach was the GOB's willingness to call demonstrators into the streets in support of its policies.

¶ 14. (C) Shapiro and the Ambassador asked Garcia Linera about GOB intentions regarding the constituent assembly; the vice president replied with little specificity, reiterating the government's position that the final draft constitution will need to be approved by a two-thirds majority, while maintaining the government's position that the bill's more controversial provisions (the very issues that the opposition is most concerned about) would ultimately be decided by a simple majority in referendum should they fail to pass by the legally required two-thirds majority. (Note: a decision by the government to simply disregard the requirement in the constituent assembly's enabling legislation for two thirds approval of the constitution would in essence allow the government to push through whatever new constitution it chooses, as it is virtually certain to win a simple majority in a national referendum. End note.)

More Coca Means More Cocaine

¶ 15. (C) Shapiro reiterated U.S. opposition to GOB trial balloons about expanding licit coca production above current ceilings, while Garcia Linera argued that Bolivian coca production is such a small part of the "continent-wide" coca problem as to be of negligible importance. Garcia Linera argued that never in Bolivian history had Bolivian coca production fallen below 20,000 hectares, and rather than pursuing a quixotic quest to attain the unattainable, the GOB was considering recognizing this reality by increasing its legally allowed

"floor" of legal coca agriculture from 12,000 to 20,000 hectares. Rejecting this view, Shapiro noted that once Bolivia's very limited licit coca market of tea and chewing coca is satisfied, every increase in coca results in more cocaine, in the final analysis. Both Shapiro and the vice president noted that there would be more discussion of coca challenge in Santa Cruz when the CICAD conference opened on November 30th.

Trade and Aid

¶6. (C) Finally, the vice president noted that he has been reading the USAID information the Ambassador recently supplied him and was very impressed. The vice president expressed gratitude for U.S. assistance and probed Shapiro and the Ambassador on ATPDEA, with the Shapiro and the Ambassador noting Administration support for ATPDEA, and congressional control of the process of passage. The vice president said that the GOB was sending a team of entrepreneurs and government officials to Washington next week to lobby for passage. Garcia Linera then noted his pleasure that GOB CHOD Vargas is visiting SOUTHCOM this week, and said that his government is open and interested in pursuing military cooperation with the United States. The vice president said that if required, he would happily go before the Bolivian congress to defend U.S. military exercises in Bolivia.

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Comment

¶7. (C) The tone of the meeting was cordial, despite Shapiro and the Ambassador's repeated inquiries about the government's commitment to democracy. The vice president was economical with the facts on the current GOB approach to the constituent assembly, which has been confrontational and uncompromising. Shapiro laid down a clear marker on U.S. interest in respect for democratic norms, although only time will tell if the vice president was in a listening mode on this point. Based upon the most recent actions of his government, both in the senate (septel) and in the constituent assembly, there is reason for skepticism. On aid and trade, the vice president has clearly begun to open his eyes on the great value of USAID to Bolivia, and is clearly extremely interested in the future of ATPDEA.

PDAS Shapiro cleared this message.
GOLDBERG